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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

(A-570-849)

Certain Cut-to-Length Carbon Steel Plate from the People's Republic of China: Preliminary Results of Antidumping Administrative Review and Preliminary Determination of No Shipments

AGENCY: Import Administration, International Trade Administration, Department of Commerce

EFFECTIVE DATE: (Insert date of publication in the *Federal Register*.)

SUMMARY: The Department of Commerce ("Department") is conducting an administrative review of the antidumping duty order on certain cut-to-length carbon steel plate ("CTL plate") from the People's Republic of China ("PRC") for the period of review ("POR") November 1, 2010, through October 31, 2011. This review covers four PRC companies.¹ The Department preliminarily finds that Baosteel and Hunan Valin did not have reviewable transactions during the POR. Further, the Department preliminarily finds that because the other two respondents, Anshan and Liaoning, did not establish their eligibility for separate rate status, they will be treated as part of the PRC-wide entity. We intend to issue the final results no later than 120 days from the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the "Act").

FOR FURTHER INFORMATION CONTACT: Patrick O'Connor, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0989.

¹ See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part, 76 FR 82268 (December 30, 2011) ("Initiation Notice"). The companies included in the review are as follows: Bao/Baoshan International Trade Corp./Bao Steel Metals Trading Corp. ("Baosteel"), Hunan Valin Xiangtan Iron & Steel Co., Ltd. ("Hunan Valin"), Anshan Iron & Steel Group ("Anshan"), and China Metallurgical Import and Export Liaoning Company ("Liaoning").

SUPPLEMENTARY INFORMATION:

Background

On November 1, 2011, the Department published a notice of an opportunity to request an administrative review of the antidumping duty order on CTL plate from the PRC.² On November 30, 2011, Nucor Corporation (“Petitioner”) requested a review of four companies.³ On December 30, 2011, the Department initiated the review of these four companies.⁴ On January 3, 2012, the Department notified parties that the results of our U.S. Customs and Border Protection (“CBP”) query indicated that none of the companies for which Petitioner requested a review had shipped subject merchandise during the POR.⁵ On January 9, 2012, Petitioner placed certain data on the record from a secondary source and claimed that Hunan Valin sold subject merchandise to the United States during the POR at less than normal value. Petitioner requested that the Department verify the results of the CBP query with a separate quantity and value questionnaire.⁶ Baosteel and Hunan Valin each certified that the company had no shipments of subject merchandise to the United States during the POR on January 24, 2012,⁷ and February 28, 2012,⁸ respectively. On March 21, 2012, the Department sent a request to CBP to identify any information contrary to Baosteel’s and Hunan Valin’s claims of no-shipments.⁹

² See Antidumping or Countervailing Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review, 76 FR 67413 (November 1, 2011).

³ See Letter from Petitioner to the Department of Commerce, Re: Request for Administrative Review, dated November 30, 2011.

⁴ See Initiation Notice.

⁵ See Memorandum from Patrick O’Connor to the File, Re: Antidumping Duty Administrative Review of Certain Cut-to-Length Carbon Steel Plate from the People’s Republic of China, dated January 3, 2012.

⁶ See Letter from Petitioner to the Department of Commerce, Re: Comments on CBP Query (“Petitioner’s CBP Comments”), dated January 9, 2012.

⁷ See Letter from Baosteel to the Department of Commerce, Re: No Sales Certification, dated January 24, 2012.

⁸ See Letter from Hunan Valin to the Department of Commerce, Re: No Shipment Letter, dated February 28, 2012.

⁹ See Instructions from the Department to CBP, Re: No Shipments Inquiry for Certain Cut to Length Carbon Steel Plate from the People’s Republic of China Exported by Baoshan or Hunan Valin XiangTan Iron & Steel Co., Ltd., Message number 2081304, dated March 21, 2012 (“CBP Inquiry”) available at the following URL: <http://adcdvd.cbp.gov/index.asp?ac=home>.

Scope of the Order

The product covered by the order is certain cut-to-length carbon steel plate from the People's Republic of China. Included in this description is hot-rolled iron and non-alloy steel universal mill plates (i.e., flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 millimeters ("mm") but not exceeding 1250 mm and of a thickness of not less than 4 mm, not in coils and without patterns of relief), of rectangular shape, neither clad, plated nor coated with metal, whether or not painted, varnished, or coated with plastics or other nonmetallic substances; and certain iron and non-alloy steel flat-rolled products not in coils, of rectangular shape, hot-rolled, neither clad, plated nor coated with metal, whether or not painted, varnished, or covered with plastics or other nonmetallic substances, 4.75 mm or more in thickness and of a width which exceeds 150mm and measures at least twice the thickness. Included as subject merchandise in this order are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (i.e., products which have been "worked after rolling") – for example, products which have been beveled or rounded at the edges. This merchandise is currently classified in the Harmonized Tariff Schedule of the United States ("HTSUS") under item numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7212.40.5000, 7212.50.0000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive. Specifically excluded from subject merchandise within the scope of the order is grade X-70 steel plate.

Preliminary Determination of No Shipments

As noted in the “Background” section above, Baosteel and Hunan Valin have submitted timely-filed certifications indicating that they had no shipments of subject merchandise to the United States during the POR. In addition, CBP did not provide any evidence that is contradictory to Baosteel’s and Hunan Valin’s claims of no shipments in response to our no-shipment inquiry asking CBP for such information.¹⁰ Further, on January 3, 2012, the Department released to interested parties the results of a CBP query that it intended to use for corroboration of Baosteel’s and Hunan Valin’s no shipment claims. The Department received comments from Petitioner concerning the results of the CBP query.¹¹

Although Petitioner argues that the data from its secondary source show that the results of the Department’s CBP query are inconclusive with respect to Hunan Valin,¹² when determining whether entries were made, the Department’s preference is to use CBP data because they are a primary source, as opposed to a secondary source, which may be prone to errors in the data collection and aggregation process.¹³ Moreover, the Department weighs CBP data more heavily because it contains the actual entry information for shipments. The data that Petitioner put on the record reflect secondary information, derived from shipping manifests, and are not necessarily a representation of products that have entered for consumption. Thus, we find that the CBP data are a more reliable source. Further, although Petitioner requested that the Department issue a quantity and value questionnaire to Hunan Valin, the company has already reported that it made no shipments of subject merchandise during the POR; thus, it is not

¹⁰ See CBP Inquiry.

¹¹ See Petitioner’s CBP Comments.

¹² See *ibid.*

¹³ See, e.g., Honey from the People’s Republic of China: Final Results and Rescission of Antidumping New Shipper Reviews, 76 FR 4289 (January 25, 2011), and accompanying Issues and Decision Memorandum at Comment 3.

necessary to request further information from Hunan Valin in the form of a separate quantity and value questionnaire per Petitioner's request.

Based on the certifications of Baosteel and Hunan Valin and our analysis of CBP information, we preliminarily determine that Baosteel and Hunan Valin did not have any reviewable transactions during the POR. In addition, the Department finds that consistent with its recently announced refinement to its assessment practice in NME cases, it is appropriate not to rescind the review in part in these circumstances but, rather, to complete the review with respect to Baosteel and Hunan Valin and issue appropriate instructions to CBP based on the final results of the review. See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (Oct. 24, 2011) and the "Assessment Rates" section, below.

Separate Rates

In the Initiation Notice, we informed entities of the opportunity to request a separate rate. In proceedings involving non-market economy ("NME") countries, the Department begins with a rebuttable presumption that all entities within the country are subject to government control and, thus, should be assigned a single antidumping duty deposit rate. It is the Department's policy to assign all exporters of merchandise subject to an administrative review involving an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate.

Entities that wanted to be considered for a separate rate in this review were required to timely file a separate rate application or a separate rate certification to demonstrate eligibility for a separate rate. Separate rate applications and separate rate certifications were due to the Department within 60 calendar days of the publication of the Initiation Notice. Neither Anshan

nor Liaoning filed separate rate applications or certifications with the Department. Therefore, neither entity has established its eligibility for separate rate status. Thus, we are continuing to treat Anshan and Liaoning as part of the PRC-wide entity. The PRC-wide rate is 128.59 percent.

Comments

Interested parties are invited to comment on the preliminary results and may submit case briefs and/or written comments within 30 days of the date of publication of this notice, pursuant to 19 CFR 351.309(c)(1)(ii). Rebuttal briefs, limited to issues raised in the case briefs, will be due five days after the due date for case briefs, pursuant to 19 CFR 351.309(d). Parties who submit case or rebuttal briefs in this proceeding are requested to submit with each argument a statement of the issue, a summary of the argument not to exceed five pages, and a table of statutes, regulations, and cases cited, in accordance with 19 CFR 351.309(c)(2).

Pursuant to 19 CFR 351.310(c), interested parties, who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, filed electronically using Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5:00 p.m. Eastern Standard Time, within 30 days after the date of publication of this notice.¹⁴ Requests should contain: (1) The party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. The Department intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later

¹⁴ See 19 CFR 351.310(c).

than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. The Department intends to instruct CBP to liquidate entries of subject merchandise from Anshan and Liaoning at the PRC-wide rate of 128.59 percent. Additionally, pursuant to a recently announced refinement to its assessment practice in NME cases, if the Department continues to determine that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the PRC-wide rate. For a full discussion of this practice, see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (Oct. 24, 2011).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for Baosteel and Hunan Valin, which claimed no shipments, the cash deposit rate will remain unchanged from the rate assigned to these companies in the most recently completed review of the companies; (2) for previously investigated or reviewed PRC and non-PRC exporters who are not under review in this segment of the proceeding but who have separate rates, the cash deposit rate will continue to be the exporter-specific rate

published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, including Anshan and Liaoning, the cash deposit rate will be the PRC-wide rate of 128.59 percent;¹⁵ and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Paul Piquado
Assistant Secretary
for Import Administration

August 1, 2012 _____
Date

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¹⁵ For an explanation of the calculation of the PRC-wide rate, see Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from the People's Republic of China, 62 FR 61964, 61965 (November 20, 1997).